

San Joaquin County Economic Forecast

The population of San Joaquin County now exceeds 600,000, an increase of 120,000 residents since the 1990 Census. The city of Stockton is the largest in the county with a current population exceeding 260,000. Tracy, the second-largest city, grew 5.9 percent between 2002 and 2003. Lathrop also experienced 7 percent growth in population last year.

Population in San Joaquin County is expected to increase at a compound annual rate of growth of 2.8 percent per year. By the year 2008, San Joaquin's total population is projected to be 707,656, a 17 percent increase over the 2003 population.

Population • January 2003

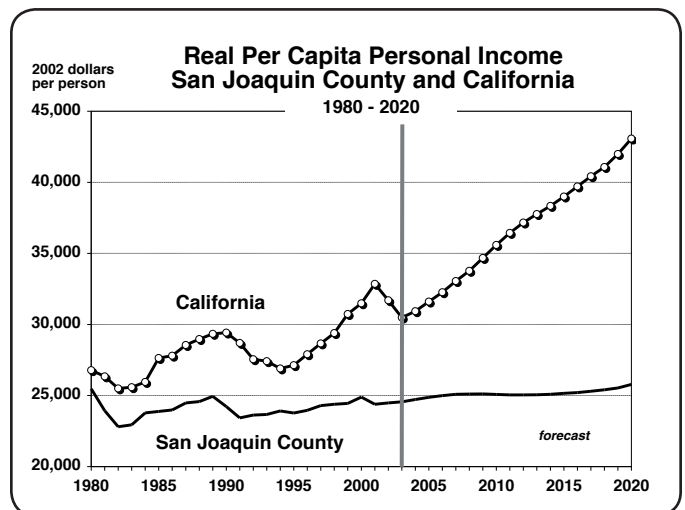
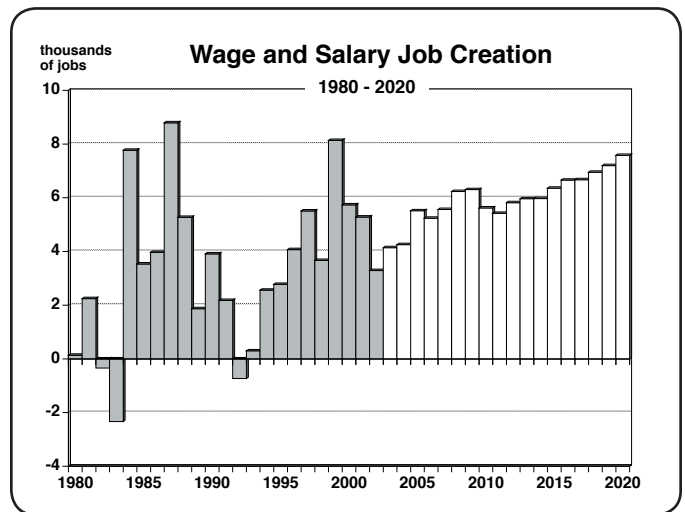
City	Population	2002-2003 % change
Stockton	261,800	2.8
Tracy	69,600	5.9
Lodi	60,500	1.7
Manteca	57,200	3.8
Total County	613,500	2.8

Historically, San Joaquin has been one of the leading counties in California in gross value for farm products. Today, it is ranked among the top ten agriculture-producing counties in the nation. The county produces an abundant harvest of crops, including grapes, milk (20 percent of the nation's total dairy output comes from San Joaquin County), tomatoes, almond meats, and asparagus. There are an estimated 783,000 acres in production on over 4,000 farms. In addition, industries which depend strongly on agriculture, such as food processing, wholesale trade, and transportation, benefit from the county's agricultural success.

Non-farm industry employment projections for the forecast period 2003–2008 indicate that services, government, and retail trade will dominate San Joaquin's County's future economy. By the year 2008, these three industries will account for 68 percent of total employment, and nearly all of the growth in jobs.

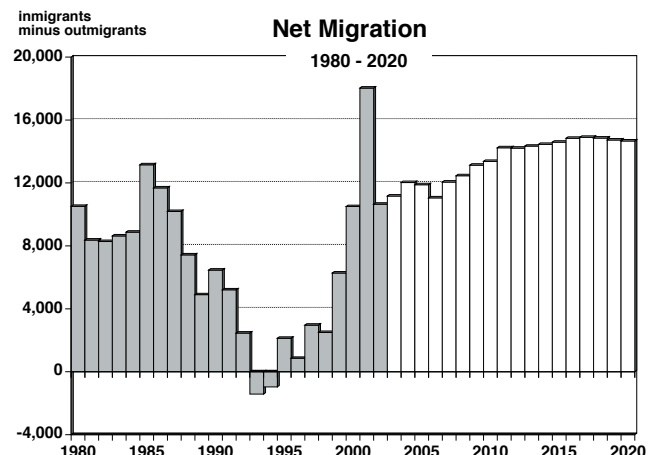
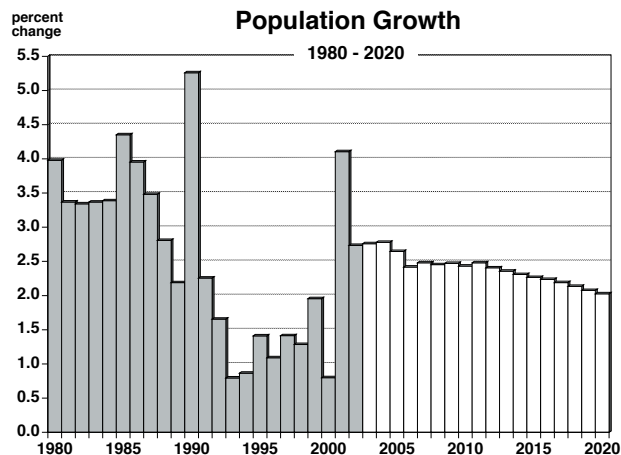
Forecast Highlights

- Non-farm job growth over the 1997 to 2002 period averaged 2.9 percent per year. The projection for the next 5 years indicates that non-farm job growth will



average 2.6 percent per year. Nearly all of the growth occurs in the trade, services, and public sectors of the economy.

- Real per capita incomes decline an average of 0.4 percent per year between 2003 and 2008.
- The unemployment rate fell sharply between 1992 and 2001. With the weak California economy in 2002, the rate of unemployment moved slightly higher in 2002. It is projected to stabilize and remain at 10 percent per year for the next several years. The farm sector does not contribute much to employment in the foreseeable future, keeping an otherwise volatile unemployment rate relatively steady.



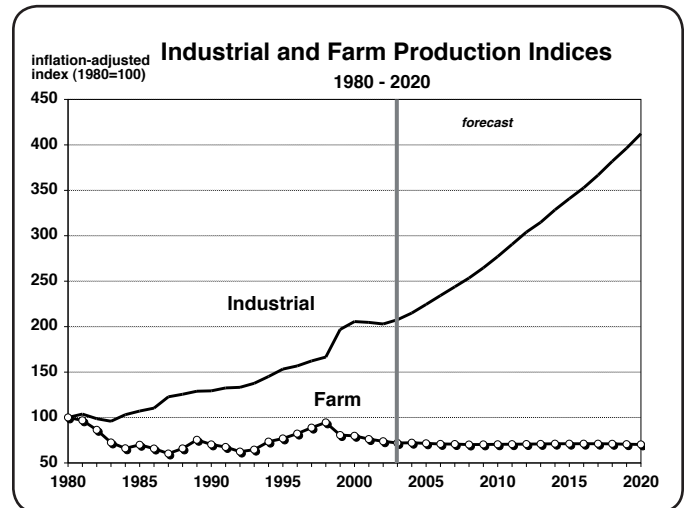
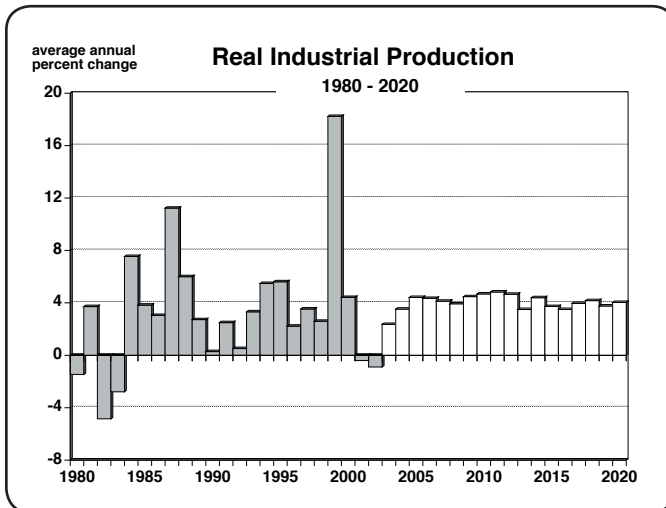
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1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (billions)
1995	531,900	2,130	395	167.4	2,321	\$2.8	\$9.9	\$23,775	\$1,127	\$3.9
1996	537,700	857	403	169.5	2,409	\$3.0	\$10.4	\$23,958	\$1,232	\$3.9
1997	545,300	2,962	408	171.3	2,475	\$3.1	\$11.0	\$24,295	\$1,376	\$4.1
1998	552,300	2,500	388	173.4	3,229	\$3.3	\$11.6	\$24,389	\$1,513	\$4.2
1999	563,100	6,278	415	175.1	4,046	\$3.8	\$12.3	\$24,452	\$1,345	\$5.0
2000	567,600	10,500	435	177.5	5,323	\$4.4	\$13.2	\$24,890	\$1,390	\$5.2
2001	590,900	18,028	454	180.6	4,399	\$4.8	\$14.2	\$24,387	\$1,398	\$5.2
2002	607,055	10,650	462	184.6	5,747	\$5.2	\$14.9	\$24,480	\$1,375	\$5.1
2003	623,803	11,165	468	189.3	5,442	\$5.4	\$15.8	\$24,560	\$1,375	\$5.2
2004	641,132	12,025	475	193.5	5,258	\$5.7	\$16.8	\$24,722	\$1,418	\$5.4
2005	658,090	11,885	483	197.5	5,288	\$5.9	\$17.7	\$24,879	\$1,445	\$5.7
2006	674,002	11,055	491	201.5	5,375	\$6.2	\$18.7	\$24,996	\$1,471	\$5.9
2007	690,719	12,058	499	205.6	5,507	\$6.5	\$19.8	\$25,085	\$1,506	\$6.1
2008	707,656	12,458	509	209.8	5,613	\$6.8	\$20.8	\$25,110	\$1,535	\$6.4
2009	725,143	13,132	518	214.1	5,680	\$7.2	\$21.9	\$25,113	\$1,578	\$6.7
2010	742,772	13,368	528	218.5	5,722	\$7.6	\$23.0	\$25,080	\$1,625	\$7.0
2011	761,186	14,238	539	223.0	5,765	\$8.0	\$24.2	\$25,046	\$1,673	\$7.3
2012	779,500	14,215	549	227.5	5,844	\$8.5	\$25.5	\$25,046	\$1,724	\$7.7
2013	797,873	14,340	560	232.0	5,935	\$8.9	\$26.9	\$25,054	\$1,780	\$7.9
2014	816,289	14,452	571	236.7	6,026	\$9.4	\$28.3	\$25,093	\$1,833	\$8.3
2015	834,781	14,591	583	241.4	6,148	\$10.0	\$29.8	\$25,158	\$1,885	\$8.6
2016	853,451	14,836	594	246.1	6,247	\$10.6	\$31.4	\$25,209	\$1,939	\$8.9
2017	872,140	14,899	606	251.0	6,309	\$11.2	\$33.2	\$25,302	\$1,993	\$9.2
2018	890,756	14,853	619	256.0	6,369	\$11.8	\$35.0	\$25,407	\$2,046	\$9.6
2019	909,240	14,730	631	261.0	6,429	\$12.5	\$36.9	\$25,531	\$2,092	\$10.0
2020	927,668	14,671	644	266.1	6,514	\$13.1	\$39.0	\$25,779	\$2,140	\$10.4

- Net-migration exceeds the natural rate of growth as the principal factor contributing to population increases over the foreseeable future. More job creation, more

homes, and more affordable homes constitute a compelling reason for healthy population growth projections over the next 10 years.



Total Wage & Salary (000)	Farm (000)	Construction (000)	Mining (000)	Manufacturing (000)	Transportation, Utilities (000)	Wholesale, Retail Trade (000)	Finance, Real Estate (000)	Services (000)	Government (000)
-----employment (jobs)-----									
175.4	15.1	6.3	0.1	23.0	11.7	38.9	8.3	38.4	33.7
179.5	16.0	6.6	0.1	23.5	11.7	39.5	8.3	40.2	33.6
185.0	17.6	7.5	0.1	23.7	12.0	40.0	8.6	41.3	34.3
188.6	17.1	8.7	0.1	23.4	12.2	41.0	8.5	42.9	34.8
196.8	18.1	10.3	0.1	24.0	13.0	41.9	8.5	45.4	35.6
202.5	16.7	11.5	0.1	25.0	13.4	43.7	8.5	46.6	37.0
207.8	16.1	12.9	0.2	23.6	14.0	45.0	9.1	48.0	38.8
211.1	15.9	12.9	0.2	23.3	13.6	46.0	9.8	49.3	40.1
215.2	15.9	13.2	0.2	22.8	14.1	47.7	9.9	51.3	41.5
219.5	15.8	13.3	0.2	22.5	14.5	49.3	9.9	53.1	43.0
225.0	15.7	13.2	0.2	22.4	15.0	51.0	10.0	54.7	44.4
230.2	15.6	13.3	0.2	22.4	15.5	52.7	10.1	56.3	45.8
235.8	15.6	13.3	0.2	22.4	16.0	54.4	10.3	57.8	47.1
242.0	15.5	13.4	0.2	22.5	16.5	56.1	10.5	59.4	48.4
248.3	15.5	13.6	0.2	22.7	17.1	58.0	10.7	61.0	49.6
253.9	15.5	13.7	0.2	22.9	17.6	59.8	11.0	62.5	50.8
259.4	15.5	13.8	0.2	23.1	18.1	61.8	11.2	63.7	51.9
265.2	15.5	14.0	0.2	23.3	18.7	63.7	11.5	65.3	53.0
271.1	15.5	14.2	0.2	23.5	19.2	65.8	11.8	66.9	54.1
277.1	15.5	14.4	0.2	23.7	19.7	67.9	12.1	68.6	55.1
283.5	15.5	14.6	0.2	23.9	20.3	70.1	12.4	70.5	56.1
290.1	15.5	14.8	0.2	24.0	20.8	72.4	12.6	72.7	57.1
296.8	15.5	15.1	0.2	24.2	21.3	74.7	12.9	74.8	58.1
303.7	15.4	15.3	0.2	24.3	21.9	77.2	13.1	77.2	59.2
310.9	15.4	15.5	0.2	24.5	22.4	79.7	13.4	79.7	60.2
318.5	15.4	15.7	0.2	24.6	22.9	82.2	13.7	82.6	61.2

- More homes will be built in the county over the next 5 years than were built in the previous 10 years. This is one of the few California Counties for which future projections of housing production exceed recent historical production.

- The median home selling price was \$223,300 in 2002. It is forecast to rise an average of 4.1 percent per year, over the next 5 years.

